

SEC. 2. SURTAX ON MILLIONAIRES.

(a) IN GENERAL.—Subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new part:

“PART VIII—SURTAX ON MILLIONAIRES

“Sec. 59B. Surtax on millionaires.

“SEC. 59B. SURTAX ON MILLIONAIRES.

“(a) GENERAL RULE.—In the case of a taxpayer other than a corporation for any taxable year beginning after 2012 and before 2014, there is hereby imposed (in addition to any other tax imposed by this subtitle) a tax equal to 2 percent of so much of the modified adjusted gross income of the taxpayer for such taxable year as exceeds \$1,000,000 (\$500,000, in the case of a married individual filing a separate return).

“(b) MODIFIED ADJUSTED GROSS INCOME.—For purposes of this section—

“(1) IN GENERAL.—The term ‘modified adjusted gross income’ means adjusted gross income reduced by the excess of—

“(A) gross income from a small business (as defined in section 6654(d)(1)(D)(iii))—

“(i) which is not a passive activity with respect to the taxpayer (within the meaning of section 469(c)), and

“(ii) which pays wages to at least 1 full-time equivalent employee (as defined in section 45R(d)(2)), other than the taxpayer, the taxpayer’s spouse, or an individual who bears a relationship to the taxpayer described in section 152(d)(2), over

“(B) the deductions which are properly allocable to such income.

“(2) AGGREGATION RULE.—All persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as one employer for purposes of paragraph (1)(A).

“(3) REGULATIONS.—The Secretary shall prescribe regulations similar to the regulations under section 469(l) for determining the income that is taken into account under paragraph (1)(A).

“(c) SPECIAL RULES.—

“(1) NONRESIDENT ALIEN.—In the case of a nonresident alien individual, only amounts taken into account in connection with the tax imposed under section 871(b) shall be taken into account under this section.

“(2) CITIZENS AND RESIDENTS LIVING ABROAD.—The applicable dollar amount under subsection (a) shall be decreased by the excess of—

“(A) the amounts excluded from the taxpayer’s gross income under section 911, over

“(B) the amounts of any deductions or exclusions disallowed under section 911(d)(6) with respect to the amounts described in subparagraph (A).

“(3) CHARITABLE TRUSTS.—Subsection (a) shall not apply to a trust all the unexpired interests in which are devoted to one or more of the purposes described in section 170(c)(2)(B).

“(4) NOT TREATED AS TAX IMPOSED BY THIS CHAPTER FOR CERTAIN PURPOSES.—The tax imposed under this section shall not be treated as tax imposed by this chapter for purposes of determining the amount of any credit under this chapter or for purposes of section 55.”.

(b) CLERICAL AMENDMENT.—The table of parts for subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

“PART VIII. SURTAX ON MILLIONAIRES.”.

(c) SECTION 15 NOT TO APPLY.—The amendment made by subsection (a) shall not be treated as a change in a rate of tax for purposes of section 15 of the Internal Revenue Code of 1986.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2012.

AUTHORITY FOR COMMITTEES TO MEET**COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS**

Mr. SANDERS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on July 24, 2012, at 10 a.m., to conduct a committee hearing entitled “Housing Partnerships in Indian Country.”

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. SANDERS. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet during the session of the Senate on July 24, 2012, at 2:30 p.m. in room 253 of the Russell Senate Office Building.

The Committee will hold a hearing entitled, “The Cable Act at 20.”

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. SANDERS. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on July 31, 2012, at 10 a.m., in room 366 of the Dirksen Senate Office Building.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS AND SUBCOMMITTEE ON SUPERFUND, TOXICS, AND ENVIRONMENTAL HEALTH

Mr. SANDERS. Mr. President, I ask unanimous consent that the Committee on Environment and Public Works and the Subcommittee on Superfund, Toxics, and Environmental Health be authorized to meet during the session of the Senate on July 24, 2012, at 10 a.m. in Dirksen 406 to conduct a joint hearing entitled, “Oversight of EPA Authorities and Actions to Control Exposures to Toxic Chemicals.”

THE PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SANDERS. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on July 24, 2012, at 10 a.m., to hold a briefing entitled, “Intelligence Update on Syria.”

The PRESIDING OFFICER. Without objection, it is so ordered.

SELECT COMMITTEE ON INTELLIGENCE

Mr. SANDERS. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on July 24, 2012, at 2:30 p.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON THE CONSTITUTION, CIVIL RIGHTS, AND HUMAN RIGHTS

Mr. SANDERS. Mr. President, I ask unanimous consent that the Com-

mittee on the Judiciary, Subcommittee on the Constitution, Civil Rights, and Human Rights, be authorized to meet during the session of the Senate, on July 24, 2012, at 2:30 p.m., in room SH-216 of the Hart Senate Office Building, to conduct a hearing entitled “Taking Back Our Democracy: Responding to Citizens United and the Rise of Super PACs.”

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON FINANCIAL INSTITUTIONS AND CONSUMER PROTECTION

Mr. SANDERS. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs’ Subcommittee on Financial Institutions and Consumer Protection be authorized to meet during the session of the Senate, on July 24, 2012, at 2:30 p.m., to conduct a hearing entitled “Private Student Loans: Providing Flexibility and Opportunity to Borrowers?”

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON IMMIGRATION, REFUGEES, AND BORDER SECURITY

Mr. SANDERS. Mr. President, I ask unanimous consent that the Committee on the Judiciary, Subcommittee on Immigration, Refugees, and Border Security, be authorized to meet during the session of the Senate, on July 24, 2012, at 10 a.m., in room SD-226 of the Dirksen Senate Office Building, to conduct a hearing entitled “Strengthening the Integrity of the Student Visa System by Preventing and Detecting Sham Educational Institutions.”

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGES OF THE FLOOR

Mr. WHITEHOUSE. Mr. President, I ask unanimous consent that for the duration of today’s session, Varun Jain, a fellow in my office, be granted floor privileges.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAUCUS. Mr. President, I ask unanimous consent that Kirk Porter, Andras Varhelyi, Talitha James, Alison Albers, and Eric Hageman, staff of the Finance Committee, be granted the privilege of the floor during consideration of S. 3412.

The PRESIDING OFFICER. Without objection, it is so ordered.

INDIAN LAW ENFORCEMENT REFORM ACT

Mr. BENNET. Mr. President, I ask unanimous consent the Committee on Indian Affairs be discharged from further consideration of S. 2090, and the Senate proceed to its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will report the bill by title. The legislative clerk read as follows: